COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED GAS

ADJUSTMENT FILING OF MT. OLIVET

NATURAL GAS COMPANY, INC.

CASE NO. 9918-M

O R D E R

On August 10, 1987, the Commission issued its Order in Case No. 9918 approving certain adjustments in rates and providing under certain conditions for the further adjustment of such rates when the wholesale cost of gas is increased or decreased or a refund is received.

On June 8, 1988, Mt. Olivet Natural Gas Company, Inc., ("Mt. Olivet") notified the Commission that it will receive an increase in rates from its supplier, Columbia Gas Transmission Corporation ("Transmission"), effective June 4, 1988, and submitted with its notice certain information in compliance with its purchased gas adjustment clause on file with this Commission.

After reviewing the record in this case and being advised, the Commission is of the opinion and finds that:

(1) The rates filed by Transmission to be effective June 4, 1988 have not received the approval of the Federal Energy Regulatory Commission ("FERC"). Therefore, the rates should be denied. If, at a later date, Mt. Olivet should receive notification from FERC that Transmission's rates are approved, it may refile at that time.

IT IS THEREFORE ORDERED that:

(1) The rates proposed by Mt. Olivet be and they hereby are denied.

Done at Frankfort, Kentucky, this 1st day of July, 1988.

PUBLIC SERVICE COMMISSION

Chairman Deneys,

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ATTEST: